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Reclass Explanations WP(G-10) 4 23-26/67

Nicor Gas
2005 Budget - Operating and Maintenance Expense

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		Original Budget	Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8		Total
		Total	Segregate Storage Budget Buckets	Segregate Measurement Budget Bucket	Segregate Storage Tanks Budget Bucket	Segregate Company Use Gas	Reclass Gathering Lines Expense	Reclass Storage Trauning Costs	Reclass A&G Payroll Other	Misc Reclass From Prime 922		After Reclasses
Underground Storage Expense												
Operation												
prime81400	Operation Supervision and Engineering	0							286,245.13			286,245.13
prime81401	**Allocation Prime**	1,410,361.18										1410,361.18
prime81500	Maps and Records	0										
prime81600	Wells Expense	440,394.25										440,394.25
prime81700	Lines Expense	53,142.00						79,170.68				132,312.68
prime81800	Compressor Station Expenses	1,334,732.68	(713,647.38)									621,085.30
prime81900	Compressor Station Fuel and Power	13,740,936.00	189,655.00			(7,252,928.00)						6,677,663.00
prime82000	Measuring and Regulating Station Expense	73,647.50										73,647.50
prime82100	Purification Expenses	482,738.97	(147,693.52)					18,215.66				353,261.11
prime82200	Exploration and Development	0										
prime82400	Other Expenses	0										
prime82600	Rents	12,180.00										12,180.00
	Total Operation	17,548,132.58	(671,685.90)			(7,252,928.00)	97,386.34	286,245.13				10,007,150.15
Maintenance												
prime83000	Maintenance Supervision and Engineering	0			21,835.85				117,359.68			139,195.53
prime83100	Maintenance of Structures and Improvements	325,845.78										325,845.78
prime83200	Maintenance of Reservoirs and Wells	496,952.30										496,952.30
prime83300	Maintenance of Lines	702,901.30					(131,630.64)	-				571,270.66
prime83400	Maintenance of Compressor Station Equip	0	523,992.38					-				523,992.38
prime83500	Maintenance of Measuring and Regulating Station Equip	0										
prime83600	Maintenance of Purification Equipment	0	147,693.52				34,244.30					181,937.82
prime83700	Maintenance of Other Equipment	153,321.88										153,321.88
	Total Maintenance	1,679,021.26	671,685.90		21,835.85		(97,386.34)		117,359.68			2,392,516.35
	Total Storage	19,227,153.84			21,835.85	(7,252,928.00)		286,245.13	117,359.68			12,399,666.50
Transmission Expenses												
Operation												
prime85000	Operation Supervision and Engineering	394,236.20							(286,245.13)			107,991.07
prime85001	?Allocation Prime**	511,156.51										511,156.51
prime85100	System Control and Load Dispatching	582,198.55										582,198.55
prime85600	Mains Expense	473,889.19										473,889.19
prime85700	Measuring and Regulating Station Expenses	636,933.49										636,933.49
prime85900	Other Expenses	0										
	Total Operation	2,598,413.94							(286,245.13)			2,312,168.81
Maintenance												
prime86100	Maintenance Supervision and Engineering	0			3,316.21				242,277.56			245,593.77
prime86200	Maintenance of Structures and Improvements	212,705.93										212,705.93
prime86300	Maintenance of Mains	1,220,878.42										1,220,878.42
prime86500	Maintenance of Measuring and Reg Station Equip	341,522.21										341,522.21
prime86700	Maintenance of Other Equipment	7,136.91										7,136.91
	Total Maintenance	1,782,243.47			3,316.21				242,277.56			2,027,837.24
	Total Transmission	4,380,657.41			3,316.21				(286,245.13)	242,277.56		4,340,006.05

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Nicor Gas
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		Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	Total
		Segregate Storage Budget Buckets	Segregate Measurement Budget Bucket	Segregate Storage Tanks Budget Bucket	Segregate Company Use Gas	Reclass Gathering Lines Expense	Reclass Storage Trauning Costs	Reclass ABG Payroll Other	Misc Reclass From Prime 922	After Reclasses
Distribution Expenses										
Operation										
prime87000	Operation Supervision and Engineering			5,982,783 97						5,982,783 97
prime87001	**Allocation Prime**			3,943,507 83						3,943,507 83
prime87002	*Allocation Prime**			3,401,420 23						3,401,420 23
prime87003	**Allocation Prime**			442,517 53						442,517 53
prime87100	Distribution Load Dispatching			55,026 31						55,026 31
prime87400	Mains and Services Expenses			15,935 534 12						15,935,534 12
prime87500	Measuring and Regulation Station Exp-General			0	57,038 89					57,038 89
prime87600	Measuring and Regulation Station Exp-Industrial			330,909 55						330,909 55
prime87700	Measuring and Regulation Station Exp-City Gate Check Statio			686,600 00						686,600 00
prime87800	Meter and hOuse Regulator Expenses			3,309,811 83						3,309,811 83
prime87801	**Allocation Prime**			2,364,784 00						2,364,784 00
prime87803	**Allocation Prime**			450,000 00						450,000 00
prime87900	Customer Installations Expense			4,738,680 31						4,738,680 31
prime88000	Other Expenses			89,750 26						89,750 26
prime88100	Rents			661,496 25						661,496 25
	Total Operation			42,392,822.19	57,038.89					42,449,861.08
Maintenance										
prime88500	Maintenance Supervision and Engineering			678,014 67				470,933 75		1,123,796 36
prime88600	Maintenance of Structures and Improvements			0						
prime88700	Maintenance of Mains			4,477,479 10						4,477,479 10
prime88900	Maintenance of Measuring & Reg Station Equip-General			769,631 82						769,631 82
prime89000	Maintenance of Measuring & Reg Station Equip-Industrial			904,086 37						904,086 37
prime89200	Maintenance of Measuring & Reg Station Equip-City Gate Che			2,021,893 41						2,021,693 41
prime89300	Maintenance of Meters and House Regulators			1,994,399 15	34,092 11					2,028,491 26
	Total Maintenance			10,645,504.52	34,092.11	(25,152.06)		470,933.75		11,325,378.32
	Total Distribution			53,238,326.71	91,131.00	(25,152.06)		470,933.75		53,775,239.40
Customer Accounts Expense										
Operation										
prime90100	Supervision			929,252 00						929,252 00
prime90200	Meter Reading Expenses			4,342,179 09						4,342,179 09
prime90300	Customer Records and Collection Expense			26,137,202 30						26,137,202 30
prime90400	Uncollectible Accounts			30,355,351 00						30,355,351 00
	Total Customer Accounts Expense			61,763,984.39						61,763,984.39
Customer Services and Informational Services										
Operation										
prime90900	Informational and Instructional Expenses			473,938 00						473,938 00
	Total Customer Services and Informational Services			473,938.00	-	-	-	-	-	473,938.00

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2005 Budget - Operating and Maintenance Expense

	Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	
	Segregate	Segregate	Segregate	Segregate	Reclass	Reclass	Reclass	Misc	Total
	Storage Budget	Measurement	Storage Tanks	Storage	Gathering Lines	Storage	A&G Payroll	Reclass From	After
	Buckets	Budget Bucket	Budget Bucket	Company Use	Expense	Trauning Costs	Other	Prime 922	Reclasses
Sales Expenses									
Operation									
prime91100	Supervision		42,478.06						42,478.06
prime91200	Demonstrating and Selling Expenses		3,457,452.51						3,457,452.51
prime91300	Advertising Expenses		630,325.16						630,325.16
prime91400	Revenues from Merchandising, Jobbing, 8 Contract Work		(804,063.00)						(804,063.00)
prime91500	Costs and Expenses of Merchandising, Jobbing, 8 Contract W		3,105.00						3,105.00
prime91600	Miscellaneous Sales Expenses		30,000.00						30,000.00
	Total Sales Expenses		3,359,297.73						3,359,297.73
Administrative and General Expenses									
Operation									
prime92000	Administrative and General Salaries		5,791,661.00				41,574,165.15	2,197,704.00	49,563,530.15
prime92021	**Allocation Prime**		49,066,913.99				(49,066,913.99)		
prime92100	Office Supplies and Expenses		0				14,859,906.32	8,773,480.00	23,633,386.32
prime92200	Administrative Expenses Transferred - Credit		1,759,707.83				(10,153,960.47)	(10,971,184.00)	(19,365,436.64)
prime92300	Outside Services Employed		2,913,686.24				1,956,232.00		4,869,918.24
prime92400	Property Insurance		1,560,000.48						1,560,000.48
prime92500	Injuries and Damages		11,978,809.15						11,978,809.15
prime92600	Employee Pension and Benefits		23,314,742.22						23,314,742.22
prime92700	Franchise Requirements		1,410,000.00		5,437,023.00				6,847,023.00
prime92800	Regulatory Commission Expenses		0						
prime92900	Duplicate Charges - Credit		0		(5,437,023.00)				(5,437,023.00)
prime93010	General Advertising Expenses		33,120.00						33,120.00
prime93020	Miscellaneous General Expenses		1,980,798.49		5,437,023.00				7,417,821.49
prime93100	Rents		0						
	Total Operation		99,809,439.40		5,437,023.00		(830,570.99)		104,415,891.41
Maintenance									
prime93200	Maintenance of General Plant		2,634,444.31	(91,131.00)	1,815,905.00				4,359,218.31
	Total Maintenance		2,634,444.31	(91,131.00)	1,815,905.00				4,359,218.31
	Total General and Administrative Expenses		102,443,883.71	(91,131.00)	7,252,928.00		(830,570.99)		108,775,109.72
Total Operating and Maintenance Expense									
			244,887,241.79				(0.00)		244,887,241.79

244,887,241.79

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Reclass Explanation WP(G-10) 4 23-26/67

Schedules G-9 and G-10
Supporting Workpapers

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		Original Budget	Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	Total
		* Payroll *	Segregate Storage Budget Buckets	Segregate Measurement Budget Bucket	Segregate Storage Tanks Budget Bucket	Segregate Company Use Gas	Reclass Gathering Lines Expense	Reclass Storage Trauning Costs	Reclass A&G Payroll Other	Misc Reclass From Prime 922	After Reclasses
<u>Underground Storage Expense</u>											
Operation											
prime81400	Operation Supervision and Engineering	-						230,271.94			230,271.94
prime81401	**Allocation Prime**	1,018,246.33									1,018,246.33
prime81500	Maps and Records	-									-
prime81600	Wells Expense	335,147.25									335,147.25
prime81700	Lines Expense	-					41,893.53				41,893.53
prime81800	Compressor Station Expenses	635,745.18	(348,283.68)								287,461.50
prime81900	Compressor Station Fuel and Power	-									-
prime82000	Measuring and Regulating Station Expense	44,712.00									44,712.00
prime82100	Purification Expenses	237,204.72	(100,739.39)				12,718.49				149,183.82
prime82200	Exploration and Development	-									-
prime82400	Other Expenses	-									-
prime82600	Rents	-									-
	Total Operation	2,271,055.48	(449,023.07)				54,612.02	230,271.94			2,106,916.37
Maintenance											
prime83000	Maintenance Supervision and Engineering	-							103,028.75		103,028.75
prime83100	Maintenance of Structures and Improvements	195,654.07									195,654.07
prime83200	Maintenance of Reservoirs and Wells	118,115.93									118,115.93
prime83300	Maintenance of Lines	120,645.05					(73,799.73)				46,845.32
prime83400	Maintenance of Compressor Station Equip	-	348,283.68								348,283.68
prime83500	Maintenance of Measuring and Regulating Station Equip	-									-
prime83600	Maintenance of Purification Equipment	-	100,739.39				19,187.71				119,927.10
prime83700	Maintenance of Other Equipment	9,101.58									9,101.58
	Total Maintenance	443,516.63	449,023.07	-	-	-	(54,612.02)	-	103,028.75	-	940,956.43
	Total Storage	2,714,572.11	-	-	-	-	-	230,271.94	103,028.75	-	3,047,872.80
<u>Transmission Expenses</u>											
Operation											
prime85000	Operation Supervision and Engineering	326,637.20						(230,271.94)			96,365.26
prime85001	**Allocation Prime**	983,085.01									983,085.01
prime85100	System Control and Load Dispatching	530,632.58									530,632.58
prime85600	Mains Expense	373,040.69									373,040.69
prime85700	Measuring and Regulating Station Expenses	283,432.99									283,432.99
prime85900	Other Expenses	-									-
	Total Operation	2,496,828.47	-	-	-	-	-	(230,271.94)	-	-	2,266,556.53
Maintenance											
prime86100	Maintenance Supervision and Engineering	-							212,692.76		212,692.76
prime86200	Maintenance of Structures and Improvements	84,331.43									84,331.43
prime86300	Maintenance of Mains	77,226.42									77,226.42
prime86500	Maintenance of Measuring and Reg Station Equip	238,596.21									238,596.21
prime86700	Maintenance of Other Equipment	611.91									611.91
	Total Maintenance	400,765.97							212,692.76		613,458.73
	Total Transmission	2,897,594.44						(230,271.94)	212,692.76		2,880,015.26

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2005 Budget - Operating and Maintenance Expense

		Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	
		Segregate	Segregate	Segregate	Segregate	Reclass	Reclass	Reclass	Misc	Total
		Storage Budget	Measurement	Storage Tanks	Company Use	Gathering Lines	Storage	A&G Payroll	Reclass From	After
		Buckets	Budget Bucket	Budget Bucket	Gas	Expense	Trauning Costs	Other	Prime 922	Reclasses
Distribution Expenses										
Operation										
prime87000	Operation Supervision and Engineering			4,758,706.54						4,758,706.54
prime87001	** Allocation Prime **			8,614,278.28						8,614,278.28
prime87002	** Allocation Prime **			4,362,660.17						4,362,660.17
prime87003	** Allocation Prime **			1,046,043.52						1,046,043.52
prime87100	Distribution Load Dispatching			55,026.31						55,026.31
prime87400	Mains and Services Expenses			8,996,404.54						8,996,404.54
prime87500	Measuring and Regulation Station Exp-General		24,961.52							24,961.52
prime87600	Measuring and Regulation Station Exp-Industrial			330,718.00						330,718.00
prime87700	Measuring and Regulation Station Exp-City Gate Check Statio			525,455.00						525,455.00
prime87800	Meter and hOuse Regulator Expenses			2,999,687.81						2,939,687.81
prime87801	** Allocation Prime **			1,454,117.00						1,454,117.00
prime87803	** Allocation Prime **									
prime87900	Customer Installations Expense			3,940,181.00						3,940,181.00
prime88000	Other Expenses			58,340.18						58,340.18
prime88100	Rents			113,916.25						113,916.25
	Total Operation		24,961.52	37,255,534.60						37,280,496.12
Maintenance										
prime88500	Maintenance Supervision and Engineering			396,699.42				413,427.48		810,126.90
prime88600	Maintenance of Structures and Improvements									
prime88700	Maintenance of Mains			2,996,909.50						2,996,909.50
prime88900	Maintenance of Measuring & Reg Station Equip-General			506,877.35						506,877.35
prime89000	Maintenance of Measuring & Reg Station Equip-Industrial			832,885.75						832,885.75
prime89200	Maintenance of Measuring & Reg Station Equip-City Gate Che			2,062,832.14						2,062,832.14
prime89300	Maintenance of Meters and House Regulators		14,919.48	1,872,235.44						1,887,154.92
	Total Maintenance		14,919.48	8,668,439.60				413,427.48		9,096,786.56
	Total Distribution		39,881.00	45,923,974.20				413,427.48		46,377,282.68
Customer Accounts Expense										
Operation										
prime90100	Supervision			779,446.00						779,446.00
prime90200	Meter Reading Expenses			4,280,414.09						4,280,414.09
prime90300	Customer Records and Collection Expense			15,760,572.83						15,760,572.83
prime90400	Uncollectible Accounts									
	Total Customer Accounts Expense			20,820,432.92						20,820,432.92
Customer Services and Informational Services										
Operation										
prime90900	Informational and Instructional Expenses									
	Total Customer Services and Informational Services									

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2005 Budget - Operating and Maintenance Expense

	Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	
	Segregate Storage Budget Buckets	Segregate Measurement Budget Bucket	Segregate Storage Tanks Budget Bucket	Segregate Company Use Gas	Reclass Gathering Lines Expense	Reclass Storage Trauning Costs	Reclass A&G Payroll Other	Misc Reclass From Prime 922	Total After Reclasses
<u>Sales Expenses</u>									
<u>Operation</u>									
prime91100	Supervision		25 000 00						25 000 00
prime91200	Demonstrating and Selling Expenses		2,359,417.87						2 359 417 87
prime91300	Advertising Expenses								
prime91400	Revenues from Merchandising Jobbing & Contract Work		286 019 00						286 01900
prime91500	Costs and Expenses of Merchandising Jobbing & Contract W		3 105 00						3 105 00
prime91600	Miscellaneous Sales Expenses								
	Total Sales Expenses		2,673,541.87						2,673,541.87
<u>Administrative and General Expenses</u>									
<u>Operation</u>									
prime92000	Administrative and General Salaries		-				41,574,165.15		41,574,165.15
prime92021	**Allocation Prime**	32,418,662.17					(32,418,662.17)		-
prime92100	Office Supplies and Expenses		-				-		-
prime92200	Administrative Expenses Transferred - Credit		-				(9,884,651.97)		(9,884,651.97)
prime92300	Outside Services Employed		-				-		-
prime92400	Property Insurance		-				-		-
prime92500	Injuries and Damages		847,587.69						847,587.69
prime92600	Employee Pension and Benefits		1,086,386.51						1,086,386.51
prime92700	Franchise Requirements								
prime92800	Regulatory Commission Expenses								
prime92900	Duplicate Charges - Credit								
prime93010	General Advertising Expenses								
prime93020	Miscellaneous General Expenses		631,236.96						631,236.96
prime93100	Rents								
	Total Operation		34,983,873.33				(729,148.99)		34,254,724.34
<u>Maintenance</u>									
prime93200	Maintenance of General Plant		140,511.00		(39,881.00)				100,630.00
	Total Maintenance		140,511.00		(39,881.00)				100,630.00
	Total General and Administrative Expenses		35,124,384.33		(39,881.00)		(729,148.99)		34,355,354.34
<u>Total Operating and Maintenance Expense</u>									
			110,154,499.87				(0.00)		110,154,499.87
			110,154,499.87		-	-	-	(0.00)	-

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2005 Budget - Operating and Maintenance Expense

		Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	
		Segregate	Segregate	Segregate	Segregate	Reclass	Reclass	Reclass	Mis-	Total
		Storage Budget	Measurement	Storage Tanks	Company Use	Gathering Lines	Storage	A&G Pavroll	Reclass From	After
		Buckets	Budget Bucket	Budget Bucket	Gas	Expense	Traning Costs	Other	Prime 922	Reclasses
	Original Budget									
	* Non-Payroll *									
Underground Storaae Expense										
Operation										
prime81400	Operation Supervision and Engineering						55 973 19			55,973 19
prime81401	**Allocation Prime**	392 114 85								392,114 85
prime81500	Maps and Records	-								-
prime81600	Wells Expense	105,247 00								105,247 00
prime81700	Lines Expense	53,142 00				37,277 15				90,419 15
prime81800	Compressor Station Expenses	698,987 50	(365,363 70)							333,623 80
prime81900	Compressor Station Fuel and Power	13,740,936 00	189,655 00		(7,252,928 00)					6,677,663 00
prime82000	Measuring and Regulating Station Expense	28,935 50								28,935 50
prime82100	Purification Expenses	245,534 25	(46,954 13)			5,497.17				204,077 29
prime82200	Exploration and Development									
prime82400	Other Expenses									
prime82600	Rents	12,180 00								12,180 00
	Total Operation	15,277,077.10	(222,662.83)		(7,252,928.00)	42,774.32	55,973.19			7,900,233.78
Maintenance										
prime83000	Maintenance Supervision and Engineering			21 835 85				14 330 93		36 166 78
prime83100	Maintenance of Structures and Improvements	130 191 71								130 191 71
prime83200	Maintenance of Reservoirs and Wells	378 836 37								378 836 37
prime83300	Maintenance of Lines	582 256 25				(57 830 91)				524 425 34
prime83400	Maintenance of Compressor Station Equip		175 708 70							175 708 70
prime83500	Ma-ntenanceof Measur-ng and Regulating Station Equip									
prime83600	Maintenance of Purification Equipment		46 954 13			15 056 59				62 010 72
prime83700	Maintenance of Other Equipment	144 220 30								144 220 30
	Total Maintenance	1,235,504 63	222,662.83	21,835.85		(42,774.32)		14,330.93		1,451,559.92
	Total Storage	16,512,581.73		21,835.85	(7,252,928.00)		55,973.19	14,330.93		9,351,793.70
Transmission Expenses										
Operation										
prime85000	Operation Supervision and Engineering	67 599 00					(55 973 19)			11 625 81
prime85001	**Allocation Prime**	(471 928 50)								(471 928 50)
prime85100	System Control and Load Dispatching	51 565 97								51 565 97
prime85600	Mains Expense	100 848 50								100 848 50
prime85700	Measuring and Regulating Station Expenses	353 500 50								353 500 50
prime85900	Other Expenses									
	Total Operation	101,585 47					(55,973.19)			45,612.28
Maintenance										
prime86100	Maintenance Supervision and Engineering			3 316 21				29 584 80		32 901 01
prime86200	Maintenance of Structures and Improvements	128 374 50								128 374 50
prime86300	Maintenance of Mains	1 143 652 00								1 143 652 00
prime86500	Maintenance of Measuring and Reg Station Equip	102 926 00								102 926 00
prime86700	Maintenance of Other Equipment	6 525 00								6 525 00
	Total Maintenance	1,381,477.50		3,316.21				29,584.80		1,414,378.51
	Total Transmission	1,483,062.97		3,316.21			(55,973.19)	29,584.80		1,459,990.79

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

			Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	
			Segregate	Segregate	Segregate	Segregate	Reclass	Reclass	Reclass	Misc	Total
			Storage Budget	Measurement	Storage Tanks	Company Use	Gathering Lines	Storage	A&G Payroll	Reclass From	After
			Buckets	Budget Bucket	Budget Bucket	Gas	Expense	Training Costs	Other	Prime 922	Reclasses
<u>Distribution Expenses</u>											
<u>Operation</u>											
prime87000	Operation Supervision and Engineering	1,224,077.43									1,224,077.43
prime87001	**Allocation Prime**	(4,670,770.45)									(4,670,770.45)
prime87002	**Allocation Prime**	(961,239.94)									(961,239.94)
prime87003	**Allocation Prime**	(603,525.99)									(603,525.99)
prime87100	Distribution Load Dispatching										
prime87400	Mains and Services Expenses	6,939,129.58									6,939,129.58
prime87500	Measuring and Regulation Station Exp-General			32,077.37							32,077.37
prime87600	Measuring and Regulation Station Exp-Industrial	191.55									191.55
prime87700	Measuring and Regulation Station Exp-City Gate Check Station	161,145.00									161,145.00
prime87800	Meter and hOuse Regulator Expenses	310,124.02									310,124.02
prime87801	**Allocation Prime**	910,667.00									910,667.00
prime87803	**Allocation Prime**	450,000.00									450,000.00
prime87900	Customer Installations Expense	798,499.31									798,499.31
prime88000	Other Expenses	31,410.08									31,410.08
prime88100	Rents	547,580.00									547,580.00
	Total Operation	5,137,287.59		32,077.37							5,169,364.96
<u>Maintenance</u>											
prime88500	Maintenance Supervision and Engineering	261,315.25			(25,152.06)				57,506.27		313,669.46
prime88600	Maintenance of Structures and Improvements										
prime88700	Maintenance of Mains	1,480,569.60									1,480,569.60
prime88900	Maintenance of Measuring & Reg Station Equip-General	262,754.47									262,754.47
prime89000	Maintenance of Measuring 8 Reg Station Equip-Industrial	71,200.62									71,200.62
prime89200	Maintenance of Measuring 8 Reg Station Equip-City Gate Che	(40,938.73)									(40,938.73)
prime89300	Maintenance of Meters and House Regulators	122,163.71		19,172.63							141,336.34
	Total Maintenance	2,177,064.92		19,172.63	(25,152.06)				57,506.27		2,228,591.76
	Total Distribution	7,314,352.51		51,250.00	(25,152.06)				57,506.27		7,397,956.72
<u>Customer Accounts Expense</u>											
<u>Operation</u>											
pnme90100	Supervision	149,806.00									149,806.00
prime90200	Meter Reading Expenses	61,765.00									61,765.00
prime90300	Customer Records and Collection Expense	10,376,629.47									10,376,629.47
prime90400	Uncollectible Accounts	30,355,351.00									30,355,351.00
	Total Customer Accounts Expense	40,943,551.47									40,943,551.47
<u>Customer Services and Informational Services</u>											
<u>Operation</u>											
prime90900	Informational and Instructional Expenses	473,938.00									473,938.00
	Total Customer Services and Informational Services	473,938.00									473,938.00

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Reclass #1	Reclass #2	Reclass #3	Reclass #4	Reclass #5	Reclass #6	Reclass #7	Reclass #8	Total
		Segregate	Segregate	Segregate	Segregate	Reclass	Reclass	Reclass	Misc	After
		Storage Budget	Measurement	Storage Tanks	Company Use	Gathering Lines	Storage	A&G Payroll	Reclass From	Reclasses
		Buckets	Budget Bucket	Budget Bucket	Gas	Expense	Trauning Costs	Other	Prime 922	
Sales Expenses										
Operation										
prime91100	Supervision		17,478.06							17,478.06
prime91200	Demonstrating and Selling Expenses		1,098,034.64							1,098,034.64
prime91300	Advertising Expenses		630,325.15							630,325.15
prime91400	Revenues from Merchandising, Jobbing, & Contract Work		(1,090,082.00)							(1,090,082.00)
prime91500	Costs and Expenses of Merchandising, Jobbing, & Contract W									
prime91600	Miscellaneous Sales Expenses		30,000.00							30,000.00
Total Sales Expenses			685,755.86							685,755.86
Administrative and General Expenses										
Operation										
prime92000	Administrative and General Salaries		5,791,661.00						2,197,704.00	7,989,365.00
prime92021	**Allocation Prime**		16,646,251.82					(16,648,251.82)		
prime92100	Office Supplies and Expenses							14,859,906.32	8,773,480.00	23,633,386.32
prime92200	Administrative Expenses Transferred - Credit		1,759,707.83					(269,308.50)	(10,971,184.00)	(9,480,784.67)
prime92300	Outside Services Employed		2,913,686.24					1,956,232.00		4,869,918.24
prime92400	Property Insurance		1,560,000.48							1,560,000.48
prime92500	Injuries and Damages		11,131,221.46							11,131,221.46
prime92600	Employee Pension and Benefits		22,228,355.71							22,228,355.71
prime92700	Franchise Requirements		1,410,000.00			5,437,023.00				6,847,023.00
prime92800	Regulatory Commission Expenses									
prime92900	Duplicate Charges - Credit					(5,437,023.00)				(5,437,023.00)
prime93010	General Advertising Expenses		33,120.00							33,120.00
prime93020	Miscellaneous General Expenses		1,349,561.53			5,437,023.00				6,786,584.53
prime93100	Rents									
Total Operation			64,825,566.07			5,437,023.00		(101,422.00)		70,161,167.07
Maintenance										
prime93200	Maintenance of General Plant		2,493,933.31	(51,250.00)	1,815,905.00					4,258,588.31
Total Maintenance			2,493,933.31	(51,250.00)	1,815,905.00					4,258,588.31
Total General and Administrative Expenses			67,319,499.38	(51,250.00)	7,252,928.00			(101,422.00)		74,419,755.38
Total Operating and Maintenance Expense										
			134,732,741.92					(0)		134,732,741.92
			134,732,741.92							134,732,741.92

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

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	Total After Reclasses	Allocation #1 Allocate Storage Supervision & General	Allocation #2 Allocate Transmission Supervision & General	Allocation #3 Allocate Distribution Supervision & General	Allocation #4 Allocate Net Fleet	Allocation #5 Allocate Stores Handling Exp	Allocation #6 Allocate Operations Supervision & General	Allocation #7 Allocate Operations Materials	TOTAL
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TOTAL

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Underground Storage Expense									
Operation	286,245.13	-	-	-	-	-	-	-	-
prime81400 Operation Supervision and Engineering									
prime81401 **Allocation Prime**	1,410,361.18	(1,410,361.18)	-	-	-	-	-	-	-
prime81300 Maps and Records	-	-	-	-	-	-	-	-	-
prime81600 Wells Expense	440,394.25	278,687.36	-	-	-	-	-	-	719,081.61
prime81700 Lines Expense	132,312.68	34,835.92	-	-	-	-	-	-	167,148.60
prime81800 Compressor Station Expenses	621,085.30	239,036.22	-	-	-	-	-	-	-
prime81900 Compressor Station Fuel and Power	6,677,663.00	-	-	-	-	-	-	-	-
prime82000 Measuring and Regulating Station Expense	73,647.50	37,233.53	-	-	-	-	-	-	110.88
prime82100 Purification Expenses	353,261.11	123,970.75	-	-	-	-	-	-	477,231.86
prime82200 Exploration and Development	-	-	-	-	-	-	-	-	-
prime82400 Other Expenses	12,180.00	-	-	-	-	-	-	-	12,180
prime82600 Rents	10,097,150.15	(696,577.49)	-	-	-	-	-	-	9,310,572.66
Total Operation									

Maintenance									
prime83000 Maintenance Supervision and Engineering	139,195.53	-	-	-	-	-	-	-	139,195.53
prime83100 Maintenance of Structures and Improvements	325,845.78	162,614.64	-	-	-	-	-	-	488,460.42
prime83200 Maintenance of Reservoirs and Wells	496,952.30	98,161.13	-	-	-	-	-	-	595,113.43
prime83300 Maintenance of Lines	571,270.66	38,925.97	-	-	-	-	-	-	610,196.63
prime83400 Maintenance of Compressor Station Equip	523,992.38	289,547.17	-	-	-	-	-	-	813,539.55
prime83500 Maintenance of Measuring and Regulating Station Equip	-	-	-	-	-	-	-	-	-
prime83600 Maintenance of Purification Equipment	31,937.82	79,712.54	-	-	-	-	-	-	281,650.36
prime83700 Maintenance of Other Equipment	133,321.88	7,615.95	-	-	-	-	-	-	160,937.83
Total Maintenance	2,392,516.35	(6,577.40)	-	-	-	-	-	-	2,385,938.95
Total Storage	12,339,666.50	-	-	-	-	-	-	-	12,339,666.50

Transmission Expenses									
Operation									
prime85000 Operation Supervision and Engineering	107,991.07	-	-	-	-	-	-	-	107,991.07
prime85001 **Allocation Prime**	511,156.51	-	(511,156.51)	-	-	-	-	-	-
prime85100 System Control and Load Dispatching	592,198.55	-	170,828.51	-	-	-	-	-	763,027.06
prime85600 Mains Expense	473,889.19	-	120,070.67	-	-	-	-	-	593,959.86
prime85700 Measuring and Regulating Station Expenses	636,933.49	-	91,241.43	-	-	-	-	-	728,174.92
prime85800 Other Expenses	-	-	-	-	-	-	-	-	-
Total Operation	2,312,168.81	-	(129,015.90)	-	-	-	-	-	2,183,152.91

Maintenance									
prime86100 Maintenance Supervision and Engineering	245,593.77	-	-	-	-	-	-	-	245,593.77
prime86200 Maintenance of Structures and Improvements	212,705.93	-	27,142.41	-	-	-	-	-	239,848.34
prime86300 Maintenance of Mains	1,220,878.42	-	24,842.20	-	-	-	-	-	1,245,720.62
prime86300 Maintenance of Measuring and Reg Station Equip	341,522.21	-	75,826.83	-	-	-	-	-	417,349.04
prime86700 Maintenance of Other Equipment	7,136.91	-	204.46	-	-	-	-	-	7,341.37
Total Maintenance	2,027,837.24	-	129,015.90	-	-	-	-	-	2,156,853.14
Total Transmission	4,340,006.05	-	-	-	-	-	-	-	4,340,006.05

Nicer Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	
Total After Reclasses		Allocate Storage Supervision 8 General	Allocate Transmission Supervision 8 General	Allocate Distribution Supervision 8 General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision 8 General	Allocate Operations Materials	TOTAL
Distribution Expenses									
Operation									
prime87000	Operation Supervision and Engineering	5,982,783.97							5,982,783.97
prime87001	**Allocation Prime**	3,943,507.83		(3,943,507.83)					0.00
prime87002	**Allocation Prime**	3,401,420.23			(3,401,420.23)				
prime87003	**Allocation Prime**	442,517.53				(442,517.53)			
prime87100	Distribution Load Dispatching	55,026.31		11,830.52	8,163.40				75,020.23
prime87400	Matns and Services Expenses	15,935,534.12		1,927,980.97	1,349,683.52	103,637.60			19,316,836.21
prime87500	Measuring and Regulation Station Exp-General	57,038.89		5,520.91	3,741.57				66,301.37
prime87600	Measuring and Regulation Station Exp-Industrial	330,909.55		70,983.14	49,660.74				451,553.43
prime87700	Measuring and Regulation Station Exp-City Gate Check Statio	686,600.00		112,784.33	78,912.95				878,297.28
prime87800	Meter and hOuse Regulator Expenses	3,309,811.83					312,387.97	284,456.86	3,906,656.66
prime87801	**Allocation Prime **	2,364,784.00					(2,364,784.00)		
prime87803	**Allocation Prime**	450,000.00				208,160.25		(658,160.25)	
prime87900	Customer Installations Expense	4,738,680.31					410,526.50	373,703.39	5,522,910.20
prime88000	Other Expenses	89,750.26		12,619.22	8,843.70				111,213.18
prime88100	Rents	661,496.25		24,449.75	17,007.10				702,953.10
	Total Operation	42,449,861.08		(1,777,338.99)	(1,885,407.25)	(130,719.68)	(1,641,869.53)		37,014,525.63
Maintenance									
prime88500	Maintenance Supervision and Engineering	1,123,796.36							1,123,796.36
prime88600	Maintenance of Structures and Improvements								
prime88700	Maintenance of Mains	4,477,479.10		642,791.78	449,667.75	37,392.73			5,607,331.36
prime88900	Maintenance of Measuring & Reg Station Equip-General	769,631.82		108,840.82	76,191.82				954,664.46
prime89000	Maintenance of Measuring 8 Reg Station Equip-Industrial	904,086.37		178,640.91	124,832.12				1,207,559.40
prime89200	Maintenance of Measuring 8 Reg Station Equip-City Gate Che	2,021,893.41		442,461.58	309,529.25	93,326.95			2,867,211.19
prime89300	Maintenance of Meters and House Regulators	2,028,491.26		404,603.90	282,998.17				2,716,093.33
	Total Maintenance	11,325,378.32		1,777,338.99	1,243,219.11	130,719.68			14,476,656.10
	Total Distribution	53,775,239.40			(642,188.14)		(1,641,869.53)		51,491,181.73
Customer Accounts Expense									
Operation									
prime90100	Supervision	929,252.00							929,252.00
prime90200	Meter Reading Expenses	4,342,179.09			642,188.14				4,984,367.23
prime90300	Customer Records and Collection Expense	26,137,202.30					1,641,869.53		27,779,071.83
prime90400	Uncollectible Accounts	30,355,351.00							30,355,351.00
	Total Customer Accounts Expense	61,763,984.39			642,188.14		1,641,869.53		64,048,042.06
Customer Services and Informational Services									
Operation									
prime90900	Informational and Instructional Expenses	473,938.00							473,938.00
	Total Customer Services and Informational Services	473,938.00							473,938.00

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	
	Total After Reclasses	Allocate Storage Supervision 8 General	Allocate Transmission Supervision 8 General	Allocate Distribution Supervision 8 General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision 8 General	Allocate Operations Materials	TOTAL
Sales Expenses									
Operation									
prime91100	Supervision	42,478.06							42,478.06
prime91200	Demonstrating and Selling Expenses	3,457,452.51							3,457,452.51
prime91300	Advertising Expenses	630,325.16							630,325.16
prime91400	Revenues from Merchandising, Jobbing, 8 Contract Work	(804,063.00)							(804,063.00)
prime91500	Costs and Expenses of Merchandising, Jobbing, 8 Contract W	3,105.00							3,105.00
prime91600	Miscellaneous Sales Expenses	30,000.00							30,000.00
	Total Sales Expenses	3,359,297.73							3,359,297.73
Administrative and General Expenses									
Operation									
prime92000	Administrative and General Salaries	49,583,530.15							49,583,530.15
prime92021	**Allocation Prime**								
prime92100	Office Supplies and Expenses	23,633,386.32							23,633,386.32
prime92200	Administrative Expenses Transferred - Credit	(19,365,436.64)							(19,365,436.64)
prime92300	Outside Services Employed	4,869,918.24							4,869,918.24
prime92400	Property insurance	1,560,000.48							1,560,000.48
prime92500	Injuries and Damages	11,978,809.15							11,978,809.15
prime92600	Employee Pension and Benefits	23,314,742.22							23,314,742.22
prime92700	Franchise Requirements	6,847,023.00							6,847,023.00
prime92800	Regulatory Commission Expenses								
prime92900	Duplicate Charges - Credit	(5,437,023.00)							(5,437,023.00)
prime93010	General Advertising Expenses	33,120.00							33,120.00
prime93020	Miscellaneous General Expenses	7,417,821.49							7,417,821.49
prime93100	Rents								
	Total Operation	104,415,891.41							104,415,891.41
Maintenance									
prime93200	Maintenance of General Plant	4,359,218.31							4,359,218.31
	Total Maintenance	4,359,218.31							4,359,218.31
	Total General and Administrative Expenses	108,775,109.72							108,775,109.72
Total Operating and Maintenance Expense									
		244,887,241.79	0.00	0.00		(0.00)			244,887,241.79

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Nicer Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	TOTAL
Total After Recldsses		Allocate Storage Supervision & General	Allocate Transmission Supervision & General	Allocate Distribution Supervision & General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision & General	Allocate Operations Materials	
Underground Storage Expense									
Operation									
prime81400	Operation Supervision and Engineering	230 271 94							230 271 94
prime81401	** AllocattonPrime**	1 018 246 33	(1 018 246 33)						
prime81500	Mans and Records								
prime81600	Wells Expense	335,147 25	201,205 47						536,352 72
prime81700	Lines Expense	41,893 53	25,150 68						67,044 21
prime81800	Compressor Station Expenses	287,461 50	172,592 75						460,054 25
prime81900	Compressor Station Fuel and Power								
prime82000	Measuring and Regulating Station Expense	44,712 00	26,881 70						71,593 70
prime82100	Purification Expenses	149,183 82	69,503 85						238,687 67
prime82200	Exploration and Development								
prime82400	Other Expenses								
prime82600	Rents								
	Total Operation	2,106,916.37	(502,911.88)						1,604,004.49
Maintenance									
prime83000	Maintenance Supervision and Engineering	103 028 75							103 028 75
prime83100	Maintenance of Structures and Improvements	195 654 07	117 403 80						313 057 87
prime83200	Maintenance of Reservotrs and Wells	118 115 93	70 869 94						188 985 87
prime83300	Maintenance of Lines	46 845 32	28 103 60						74 948 92
prime83400	Maintenance of Compressor Station Equip	348 283 68	209 045 99						557 329 67
prime83500	Ma-ntenance of Measuring and Regulating Station Equip								
prime83600	Maintenance of Purification Equipment	119 927 10	71 990 02						191 917 12
prime83700	Maintenance of Other Equipment	9 101 58	5 498 53						14 600 11
	Total Maintenance	940,956.43	502,911.88						1,443,868.31
	Total Storage	3,047,872.80							3,047,872.80
Transmission Expenses									
Operation									
prime85000	Operation Supervision and Engineertng	96,365 26							96,365 26
prime85001	** Allocation Prime**	983,065 01	(983,085 01)						
prime85100	System Control and Load Dispatching	530,632 58	328,547 02						859,179 60
prime85600	Mains Expense	373,040 69	230,926 67						603,967 36
prime85700	Measuring and Regulating Station Expenses	283,432 99	175,480 67						458,913 66
prime85900	Other Expenses								
	Total Operation	2,266,556.53	(248,130.65)						2,018,425.88
Maintenance									
prime86100	Maintenance Supervision and Engineering	212 692 76							212 692 76
prime86200	Maintenance of Structures and Improvements	84 331 43	52 201 81						136 533 24
prime86300	Maintenance of Mains	77 226 42	47 777 93						125 004 35
prime86500	Maintenance of Measuring and Reg Station Equip	238 596 21	147 757 68						386 353 89
prime86700	Maintenance of Other Equipment	611 91	393 23						1 005 14
	Total Maintenance	613,458.73	248,130.65						861,589.38
	Total Transmission	2,880,015.26							2,880,015.26

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	TOTAL
		Allocate Storage Supervision 8 General	Allocate Transmission Supervision 8 General	Allocate Distribution Supervision & General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision 8 General	Allocate Operations Materials	
Distribution Expenses		Total After Reclasses							
Operation									
prime87000	Operation Supervision and Engineering	4,758,706.54							4,758,706.54
prime87001	**Allocation Prime**	8,614,278.28		(8,614,278.28)					
prime87002	**Allocation Prime**	4,362,660.17			(4,362,660.17)				
prime87003	**Allocation Prime**	1,046,043.52				(1,046,043.52)			
prime87100	Distribution Load Dispatching	55,026.31		25,842.83	10,470.38				91,339.52
prime87400	Mains and Services Expenses	8,996,404.54		4,211,520.65	1,731,103.54	244,983.39			15,184,012.12
prime87500	Measuring and Regulation Station Exp-General	24,961.52		12,059.99	4,798.93				41,820.44
prime87600	Measuring and Regulation Station Exp-Industrial	330,718.00		155,057.01	63,694.84				549,469.85
prime87700	Measuring and Regulation Station Exp-City Gate Check Statio	525,455.00		246,368.36	101,213.72				673,037.08
prime87800	Meter and hOuse Regulator Expenses	2,999,687.81					192,088.86	212,667.84	3,404,444.51
prime87801	**Allocation Prime**	1,454,117.00					(1,454,117.00)		
prime87803	**Allocation Prime**					492,058.87		(492,058.87)	
prime87900	Customer Installations Expense	3,940,181.00					252,434.71	279,391.03	4,472,006.74
prime88000	Other Expenses	58,340.18		27,565.69	11,342.92				97,248.79
prime88100	Rents	113,916.25		53,408.53	21,813.30				189,138.08
	Total Operation	37,280,496.12		(3,882,455.22)	(2,418,222.54)	(309,001.26)	(1,009,593.43)		29,661,223.67
Maintenance									
prime88500	Maintenance Supervision and Engineering	810,126.90							810,126.90
prime88600	Maintenance of Structures and Improvements								
prime88700	Maintenance of Mains	2,996,909.50		1,404,127.36	576,743.67	88,390.68			5,066,171.21
prime88900	Maintenance of Measuring 8 Reg Station Equip-General	506,877.35		237,754.08	97,723.59				842,355.02
prime89000	Maintenance of Measuring 8 Reg Station Equip-Industrial	832,885.75		390,226.81	160,109.63				1,383,222.19
prime89200	Maintenance of Measuring 8 Reg Station Equip-City Gate Che	2,062,832.14		966,522.02	397,002.08	220,610.58			3,646,966.82
prime89300	Maintenance of Meters and House Regulators	1887,154.92		883,824.95	362,973.33				3,133,953.20
	Total Maintenance	9,096,786.56		3,882,455.22	1,594,552.30	309,001.26			14,882,795.34
	Total Distribution	46,377,282.68			(823,670.24)		(1,009,593.43)		44,544,019.01
Customer Accounts Expense									
Operation									
prime90100	Supervision	779,446.00							779,446.00
prime90200	Meter Reading Expenses	4,280,414.09			823,670.24				5,104,084.33
prime90300	Customer Records and Collection Expense	15,760,572.83					1,009,593.43		16,770,166.26
prime90400	Uncollectible Accounts								
	Total Customer Account Expense	20,820,432.92			823,670.24		1,009,593.43		22,653,696.59
Customer Services and Informational Services									
Operation									
prime90900	Informational and Instructional Expenses								
	Total Customer Services and Informational Services								

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	TOTAL
		Allocate Storage Supervision & General	Allocate Transmission Supervision & General	Allocate Distribution Supervision & General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision & General	Allocate Operations Materials	
		Total After Reclasses							
Sales Expenses									
Operation									
prime91100	Supervision	25,000.00							25,000.00
prime91200	Demonstrating and Selling Expenses	2,359,417.87							2,359,417.87
prime91300	Advertising Expenses	-							-
prime91400	Revenues from Merchandising, Jobbing, & Contract Work	286,019.00							286,019.00
prime91500	Costs and Expenses of Merchandising, Jobbing, & Contract W	3,105.00							3,105.00
prime91600	Miscellaneous Sales Expenses	-							-
Total Sales Expenses		2,673,541.87	-	-	-	-	-	-	2,673,541.87
Administrative and General Expenses									
Operation									
prime92000	Administrative and General Salaries	41,574,165.15							41,574,165.15
prime92021	** Allocation Prime**								
prime92100	Office Supplies and Expenses								
prime92200	Administrative Expenses Transferred - Credit	(9,884,651.97)							(9,884,651.97)
prime92300	Outside Services Employed								
prime92400	Property Insurance								
prime92500	Injuries and Damages	847,587.69							847,587.69
prime92600	Employee Pension and Benefits	1,086,386.51							1,086,386.51
prime92700	Franchise Requirements								
prime92800	Regulatory Commission Expenses								
prime92900	Duplicate Charges - Credit								
prime93010	General Advertising Expenses								
prime93020	Miscellaneous General Expenses	631,236.96							631,236.96
prime93100	Rents	-							-
Total Operation		34,254,724.34							34,254,724.34
Maintenance									
prime93200	Maintenance of General Plant	100,630.00							100,630.00
Total Maintenance		100,630.00							100,630.00
Total General and Administrative Expenses		34,355,354.34							34,355,354.34
Total Operating and Maintenance Expense									
		110,154,499.87	0.00	0.00			(0.00)		110,154,499.87
		110,154,499.87					(000)		110,154,499.87

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Nicer Gas
2005 Budget * Operating and Maintenance Expense

	Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	
Total After Reclasses	Allocate Storage Supervision & General	Allocate Transmission Supervision & General	Allocate Distribution Supervision & General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operattions Supervision & General	Allocate Operattions Materials	TOTAL

NON-PAYROLL

<u>Underground Storage Expense</u>								
<u>Operation</u>								
prime81400	Operation Supervision and Engineering	55,973 19						55 973 19
prime81401	**Allocation Prime**	392 114 85	(392 114 85)					
prime81500	Maps and Records							
prime81600	Wells Expense	105,247 00	77,481 89					182,728 89
prime81700	Lines Expense	90,419 15	9,685 24					100,104 39
prime81800	Compressor Station Expenses	333,623 80	66,463 47					400,087 27
prime81900	Compressor Station Fuel and Power	6,677,663 00						6,677,663 00
prime82000	Measuring and Regulatting Station Expense	28,935 50	10,351 83					39,287 33
prime82100	Purification Expenses	204,077 29	34,466 90					238,544 19
prime82200	Exploration and Development							
prime82400	Other Expenses							
prime82600	Rents	12,180 00						12,180 00
	Total Operation	7,900,233.78	(193,665.52)					7,706,568.26
<u>Maintenance</u>								
prime83000	MatntenanceSupervision and Engineering	36 166 78						36 166 78
prime83100	Maintenance of Structures and Improvements	130 191 71	45 210 84					175 402 55
prime83200	Maintenance of Reservoirs and Wells	378 836 37	27291 19					406 127 56
prime83300	Maintenance of Lines	524 425 34	10 822 37					535 247 71
prime83400	Maintenance of compressor Station Equip	175 708 70	80501 18					256 209 88
prime83500	Ma~ntenanceof Measuring and Regulating Station Equip							
prime83600	Maintenance of Purification Equipment	62 010 72	27 722 52					89 733 24
prime83700	Maintenance of Other Equipment	144 220 30	2 117 42					146 337 72
	Total Maintenance	1,451,559.92	193,665.52					1,645,225.44
	Total Storage	9,351,793.70						9,351,793.70
<u>Transmission Expenses</u>								
<u>Operation</u>								
prime85000	Operatton Supervision and Engineering	11 625 81						11 625 81
prime85001	**Allocation Prime**	(471 928 50)	471 928 50					
prime85100	System Control and Load Dispatching	51 565 97	(157 718 51)					(106 152 54)
prime85600	Mains Expense	100 848 50	(110 856 00)					(10 007 50)
prime85700	Measurtng and Regulating Station Expenses	353 500 50	(84 239 24)					269 261 26
prime85900	Other Expenses							
	Total Operation	45,612.28	119,114.75					164,727.03
<u>Maintenance</u>								
prime86100	MatntenanceSupervision and Engineering	32 901 01						32 901 01
prime86200	Matntenance of Structures and Improvements	128 374 50	(25 059 40)					103 315 10
prime86300	Maintenance of Mains	1 143 652 00	(22 935 73)					1 120 716 27
prime86500	Maintenance of Measuring and Reg Station Equip	102 926 00	(70 930 85)					31 995 15
prime86700	Maintenance of Other Equipment	6 525 00	(188 77)					6 336 23
	Total Maintenance	1,414,378.51	(119,114.75)					1,295,263.76
	Total Transmission	1,459,990.79						1,459,990.79

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	
Total After Reclasses		Allocate Storage Supervision 2 General	Allocate Transmission Supervision 8 General	Allocate Distribution Supervision & General	Allocate Net Fleet	Allocate Stores Handling Exp	Allocate Operations Supervision & General	Allocate Operations Materials	TOTAL
Distribution Expenses									
Operation									
prime87000	Operation Supervision and Engineering	1,224,077.43							1,224,077.43
prime87001	**Allocation Prime**	(4,670,770.45)		4,670,770.45					
prime87002	**Allocation Prime**	(561,239.94)			961,239.94				
prime87003	**Allocation Prime**	(603,525.99)				603,525.99			
prime87100	Distribution Load Dispatching			(14,012.31)	(2,306.98)				(16,319.29)
prime87400	Mains and Services Expenses	6,939,129.58		(2,283,535.68)	(381,420.02)	(141,345.79)			4,132,824.09
prime87500	Measuring and Regulation Station Exp-General	32,077.37		(6,539.08)	(1,057.36)				24,480.93
prime87600	Measuring and Regulation Station Exp-Industrial	191.55		(84073.87)	(14,034.10)				(97,916.42)
prime87700	Measuring and Regulation Station Exp-City Gate Check Statio	161,145.00		(133,584.03)	(22,300.77)				5,260.20
prime87800	Meter and hOuse Regulator Expenses	310,124.02					120,299.11	71,789.02	502,212.15
prime87801	**Allocation Prime**	910,667.00					(910,667.00)		
prime87803	**Allocation Prime**	450,000.00				(283,898.62)		(166,101.38)	
prime87900	Customer Installations Expense	798,499.31					158,091.79	94,312.36	1,050,903.46
prime88000	Other Expenses	31,410.08		(14,946.47)	(2,499.22)				13,964.39
prime88100	Rents	547,580.00		(28,958.78)	(4,806.20)				513,815.02
Total Operation		5,169,364.96		2,105,116.23	532,815.29	178,281.58	(632,276.10)		7,353,301.96
Maintenance									
prime88500	Maintenance Supervision and Engineering	313,669.46							313,669.46
prime88600	Maintenance of Structures and Improvements	-		-	-				-
prime88700	Maintenance of Mains	1,480,569.60		(761,335.58)	(127,075.92)	(50,997.95)			541,160.15
prime88900	Maintenance of Measuring & Reg Station Equip-General	262,754.47		(128,913.26)	(21,531.77)				112,309.44
prime89000	Maintenance of Measuring & Reg Station Equip-Industrial	71,200.62		(211,585.90)	(35,277.51)				(175,662.79)
prime89200	Maintenance of Measuring & Reg Station Equip-City Gate Che	(40,938.73)		(524,060.44)	(87,472.83)	(127,283.63)			(779,755.63)
prime89300	Maintenance of Meters and House Regulators	141,336.34		(479,221.05)	(79,975.16)				(417,859.87)
Total Maintenance		2,228,591.76	-	(2,105,116.23)	(351,333.19)	(178,281.58)	-	-	(406,139.24)
Total Distribution		7,397,956.72			181,482.10		(632,276.10)		6,947,162.72
Customer Accounts Expense									
Operation									
prime90100	Supervision	149,806.00							149,806.00
prime90200	Meter Reading Expenses	61,765.00			(181,482.10)				(119,717.10)
prime90300	Customer Records and Collection Expense	10,376,629.47					632,276.10		11,008,905.57
prime90400	Uncollectible Accounts	30,355,351.00							30,355,351.00
Total Customer Accounts Expense		40,943,551.47			(181,482.10)		632,276.10		41,394,345.47
Customer Services and Informational Services									
Operation									
prime90900	Informational and Instructional Expenses	473,938.00							473,938.00
Total Customer Services and Informational Services		473,938.00							473,938.00

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Nicor Gas
2005 Budget - Operating and Maintenance Expense

		Allocation #1	Allocation #2	Allocation #3	Allocation #4	Allocation #5	Allocation #6	Allocation #7	
	Total	Allocate Storage	Allocate Transmission	Allocate Distribution	Allocate	Allocate	Allocate Operations	Allocate	
	After	Supervision 8	Supervision 8	Supervision 8	Net	Stores	Supervision 8	Operations	
	Reclasses	General	General	General	Fleet	Handling Exp	General	Materials	TOTAL
<u>Sales Expenses</u>									
<u>Operation</u>									
prime91100	Supervision								17,478.06
prime91200	Demonstrating and Selling Expenses								1,098,034.64
prime91300	Advertising Expenses								630,325.16
prime91400	Revenues from Merchandising, Jobbing, 8 Contract Work								(1,090,082.00)
prime91500	Costs and Expenses of Merchandising Jobbing, 8 Contract W								
prime91600	Miscellaneous Sales Expenses								30,000.00
	Total Sales Expenses								685,755.86
<u>Administrative and General Expenses</u>									
<u>Operation</u>									
prime92000	Administrative and General Salaries								7,989,365.00
prime92021	**Allocation Prime**								
prime92100	Office Supplies and Expenses								23,633,386.32
prime92200	Administrative Expenses Transferred - Credit								(9,480,784.67)
prime92300	Outside Services Employed								4,869,918.24
prime92400	Property Insurance								1,560,000.48
prime92500	Injuries and Damages								11,131,221.46
prime92600	Employee Pension and Benefits								22,228,355.71
prime92700	Franchise Requirements								6,847,023.00
prime92800	Regulatory Commission Expenses								
prime92900	Duplicate Charges - Credit								(5,437,023.00)
prime93010	General Advertising Expenses								33,120.00
prime93020	Miscellaneous General Expenses								6,786,584.53
prime93100	Rents								
	Total Operation								70,161,167.07
<u>Maintenance</u>									
prime93200	Maintenance of General Plant								4,258,588.31
	Total Maintenance								4,258,588.31
	Total General and Administrative Expenses								74,419,755.38
<u>Total Operating and Maintenance Expense</u>									
			(0.00)	0.00		(0.00)			134,732,741.92
		134,732,741.92			(0.00)				134,732,741.92

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NICOR GAS COMPANY
2005 12006 OO&M BUDGET COMPARISON REPORT
(IN THOUSANDS)

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Budget Total Final

	2003	2004	2004	2005	2006	2005 Final Budget vs 2004 Update		2006 Final Budget vs 2005 Final Budget	
	Actual	Budget	Updated Budget	Final Budget	Final Budget	%	\$	%	\$
Operations	12,207.1	11,911.3	12,261.3	12,322.6	12,890.5	1%	61.3	5%	567.9
Business Systems Support	450.8	564.0	564.0	754.4	1,120.3	34%	190.4	48%	365.9
Workload Administration	1,338.3	1,277.5	1,277.5	1,711.7	1,910.9	34%	434.2	12%	199.2
Dispatch -Central	897.5	2,273.0	2,273.0	2,413.0	2,535.4	6%	139.9	5%	122.5
Leak Survey	1,472.6	1,681.8	1,681.8	1,622.6	1,702.0	-4%	(59.2)	5%	79.4
Locating	7,100.7	7,812.5	8,312.5	9,749.9	10,283.1	17%	1,437.4	5%	533.2
Meter Reading	5,087.7	5,047.6	5,047.6	5,398.2	5,524.4	7%	350.6	2%	126.1
Corrosion	3,006.6	3,824.9	3,824.9	3,976.4	4,049.8	4%	151.5	2%	73.4
AVP Office of Customer Response	(4,490.6)	(5,047.4)	(5,047.4)	(5,373.4)	(5,669.8)	6%	(326.0)	6%	(296.4)
Fleet Management & Safety	7,018.3	7,452.8	7,452.8	7,695.0	7,911.8	3%	242.2	3%	216.8
Customer Response	\$34,089.0	\$36,798.1	\$37,648.1	\$40,270.4	\$42,258.3	7%	2,622.3	5%	1,987.9
Technical Training & Measurement	3,698.3	4,379.8	4,379.8	4,586.9	4,824.7	5%	207.1	5%	237.8
Engineering	1,786.1	2,045.2	2,045.2	2,140.9	2,258.2	5%	95.7	5%	117.3
AVP Supply Operations	7,202.8	7,724.5	7,724.5	8,078.4	8,547.8	5%	353.8	6%	469.4
Sr VP Operations Administration	55.9	170.4	170.4	925.1	929.1	443%	754.7	0%	3.9
Total SR VP Operations	46,832.0	51,118.1	51,968.1	56,001.7	58,818.0	8%	4,033.6	5%	2,816.2
System Operations	9,296.7	9,643.2	9,843.2	9,173.4	9,619.2	-7%	(669.7)	5%	445.8
Distribution	13,038.6	13,469.6	13,861.6	14,539.5	15,581.0	5%	677.8	7%	1,041.6
NCAT	867.9	887.5	887.5	893.1	937.1	1%	5.6	5%	44.1
Ofc VP Distribution	(6,382.1)	(6,075.1)	(6,075.1)	(6,515.2)	(6,732.0)	7%	(440.1)	3%	(216.9)
Total VP Distribution Services	16,821.1	17,925.2	18,517.2	18,090.8	19,405.3	-2%	(426.4)	7%	1,314.5
Sales & Marketing	2,641.9	3,032.9	3,032.9	2,975.4	3,119.8	-2%	(57.5)	5%	144.5
CIS Call Center	8,633.5	8,504.9	8,204.9	8,606.1	9,485.5	5%	401.2	10%	879.4
Community Affairs	1,115.5	1,106.5	1,106.5	972.2	975.3	-12%	(134.2)	0%	3.1
Credit	6,278.9	6,711.3	6,711.3	7,137.0	7,606.1	6%	425.7	7%	469.1
Billing & Gas Transportation	3,512.9	3,847.6	3,847.6	4,151.0	4,247.5	8%	303.4	2%	96.5
AVP Cust Care & Customer Relations	331.9	829.1	829.1	1,107.1	1,716.3	34%	278.0	55%	609.2
Total VP Sales & Cust. Care	22,514.6	24,032.2	23,732.2	24,948.8	27,150.6	5%	1,216.6	9%	2,201.7
Facility Services	6,205.0	5,566.7	5,662.6	5,947.7	6,248.5	5%	285.2	5%	300.8
Labor Relations	662.7	710.7	710.7	736.7	768.4	4%	26.1	4%	31.6
Human Resources Administration	3,299.4	4,653.4	4,653.4	5,333.3	5,417.4	15%	679.9	2%	84.1
Corporate Communications	2,178.0	2,626.1	2,626.1	2,674.3	2,697.2	2%	48.2	1%	22.9
Corporate Memberships & Contributions	2,094.8	835.1	890.1	906.9	923.2	2%	16.8	2%	16.3
SVP Human Resources Administration	347.8	785.9	785.9	351.3	347.5	-55%	(434.6)	-1%	(3.8)
Total SR VP HR & Cust. Care	14,787.7	15,177.9	15,328.8	15,950.3	16,402.3	4%	621.6	9%	452.0
IS Dept. Administration	8,872.6	9,255.6	9,205.6	9,967.7	11,374.1	8%	762.1	14%	1,406.4
Voice & Data Operations	3,531.7	3,624.8	3,549.8	3,733.9	3,840.1	5%	184.2	3%	106.1
IS Asset Management	3,764.4	4,526.8	4,401.8	5,121.4	5,364.3	16%	719.6	5%	242.9
Total VP Information Services	16,168.7	17,407.1	17,157.1	18,823.1	20,578.5	10%	1,665.9	9%	1,755.4
Procurement	2,212.9	2,378.7	2,378.7	2,344.0	2,421.7	-1%	(34.6)	3%	77.6
Accounting	3,705.1	3,717.7	3,617.7	4,004.5	4,099.8	11%	386.9	2%	95.2
Total VP & Controller	5,918.0	6,096.4	5,996.4	6,348.6	6,521.4	6%	352.2	3%	172.9
Real Estate	498.8	748.2	748.2	639.2	682.7	-15%	(109.0)	7%	43.5
Rates & Money Management	1,386.4	1,321.1	1,321.1	1,274.4	1,324.7	-4%	(46.7)	4%	50.2
Finance & Forecasting	326.6	422.8	422.8	543.6	511.1	29%	120.8	-6%	(32.6)
Office of VP Administration	518.7	579.4	579.4	712.3	752.6	23%	132.9	6%	40.3
Total VP Admin. & Treasurer	2,730.5	3,071.5	3,071.5	3,169.6	3,271.0	3%	98.1	3%	101.5

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NICOR GAS COMPANY
2005 12006 0 0 8 M BUDGET COMPARISON REPORT
(IN THOUSANDS)

Final

	2003	2004	2004	2005	2006	2005 Final Budget vs 2004 Update		2006 Final Budget vs 2005 Final Budget	
	Actual	Budget	Updated Budget	Final Budget	Final Budget	%	\$	%	\$
Claims Department	1,114.5	1,786.1	1,786.1	1,948.4	1,708.6	9%	162.3	-12%	(239.8)
Legal Department	2,484.7	3,060.0	3,060.0	3,040.9	3,298.8	-1%	(19.1)	8%	257.9
Office VP, Gen Counsel & Sec Admin	76.9	107.0	107.0	112.4	115.9	5%	5.4	3%	3.4
Total VP, Gen. Counsel & Sec.	3,676.1	4,953.1	4,953.1	5,101.7	5,123.3	3%	148.6	0%	21.6
Internal Auditing	1,081.3	1,104.8	1,104.8	1,178.5	1,220.2	7%	73.7	4%	41.7
Risk Management & internal Controls	838.0	702.7	702.7	348.7	401.5	-50%	(354.0)	15%	52.8
Total Ex VP & CRO	1,919.3	1,807.5	1,807.5	1,527.2	1,621.7	-16%	(280.3)	6%	94.5
Total Chairman	2,282.3	2,631.8	2,631.8	2,267.2	2,345.4	-14%	(364.6)	3%	78.2
Total Ex VP & CFO	5.6	7.5	7.5	67.6	69.2	801%	60.1	2%	1.6
Total SR VP Div. Ventures & Planning	825.1	760.6	885.0	974.2	1,007.5	10%	89.2	3%	33.3
Total President & CEO	653.4	767.3	767.3	849.2	867.8	11%	81.9	2%	18.6
Total Deptal. OOBM	135,134.5	145,756.3	146,823.5	154,119.9	163,182.0	5%	7,296.4	6%	9,062.0
<u>Selected Items</u>									
PBR & Special Investigations	1,323.2	260.0	3,210.0	0	0	-100%	(3,210.0)	n/a	0.0
Benefit Plans	8,314.9	10,013.6	10,013.6	12,575.2	13,195.2	26%	2,561.6	5%	620.0
Software Expensed	821.7	712.6	712.6	1,706.9	3,558.2	140%	994.3	108%	1,851.3
Billed by Nicor	6,720.3	7,730.8	7,730.8	10,971.2	11,692.6	42%	3,240.4	7%	721.4
Payroll Additives	(4,864.6)	(6,216.0)	(6,216.0)	(7,388.4)	(8,049.7)	19%	(1,172.4)	9%	(661.3)
Cost of Services Rendered	1,855.7	1,514.8	1,514.8	3,582.8	3,642.9	137%	2,068.0	2%	60.1
Employee Benefit Insurance	10,540.5	11,535.4	12,148.4	13,559.0	14,722.6	12%	1,410.6	9%	1,163.5
Vacation Accrual	(1,220.0)	(516.0)	(516.0)	(219.7)	(53.6)	-57%	296.3	-76%	166.1
Future Health Care	17,949.0	16,205.0	16,205.0	16,189.0	15,989.0	0%	(16.0)	-1%	(200.0)
Provision for Uncollectibles	29,761.9	28,770.0	28,770.0	30,355.4	28,770.0	6%	1,585.4	-5%	(1,585.4)
Pension Provision	908.3	(3,445.7)	(3,445.7)	(4,497.0)	(5,676.5)	31%	(1,051.3)	26%	(1,179.5)
Franchise Gas	1,121.6	1,300.0	1,300.0	1,410.0	1,580.0	8%	110.0	12%	170.0
Company Use & Free Gas	11,011.3	11,400.0	11,150.0	13,740.9	12,168.1	23%	2,590.9	-11%	(1,572.8)
Weather Insurance	1,475.0	0	0	0	0	n/a	0.0	n/a	0.0
Property & Casualty Insurance	6,580.0	7,750.0	7,750.0	8,096.0	8,096.0	4%	346.0	0%	0.0
A&G Capitalized	(13,494.1)	(12,065.0)	(12,065.0)	(13,473.7)	(13,547.7)	12%	(1,408.7)	1%	(74.0)
Unallocated Corporate Reduction	0	0	0	0	0	n/a	0.0	n/a	0.0
Wilmette Outage	2,106.0	0	0	0	0	n/a	0.0	n/a	0.0
Rate Evaluation Amortization	0.0	0.0	0.0	0.0	0.0	n/a	0.0	n/a	0.0
Appliance Connector Notification	0.0	0.0	0.0	1,500.0	1,500.0	n/a	1,500.0	0%	0.0
Corporate Postage	5,861.7	6,146.1	6,146.1	6,242.4	6,992.3	2%	96.3	12%	749.9
Total Selected Items	84,916.7	79,580.8	82,893.8	90,767.3	90,936.5	9%	7,873.5	0%	169.2
Total OO&M	\$220,051.1	\$225,337.1	\$229,717.3	\$244,887.2	\$254,118.5	7%	\$15,169.9	4%	\$9,231.2
<u>Other Non-OO&M Items</u>									
Payroll Taxes	\$10,247.7	\$10,601.0	\$10,601.0	\$11,478.4	\$11,826.0	8%	877.4	3%	347.6
Real Estate Taxes	2,551.3	3,300.0	3,300.0	0	0	-100%	(3,300.0)	#DIV/0!	0.0
Capitalized portion of Payroll and Real Estate	(3,318.3)	(3,356.5)	(3,356.5)	(3,840.7)	(4,025.6)	14%	(484.2)	5%	(184.9)
Invested Capital Tax	6,996.0	8,399.0	8,399.0	0	0	-100%	(8,399.0)	n/a	0.0
Corporate Contributions	0.0	1,204.0	1,204.0	1,319.0	1,373.5	10%	115.0	4%	54.5

O&M Reclasses and Allocations

The following reclasses and allocations are required in order to report the Operation and Maintenance expense budget in the appropriate prime account.

Reclasses:

Reclass 1a – Storage Field Compressors

Storage field compressor expenses are budgeted in budget buckets for each storage field. The budget buckets are in prime 818 - Storage Operations. The actual expenses that these budgets relate to are recorded in primes 818 - Storage Operations, and 834 - Storage Maintenance.

In addition, some of these expenses that are recorded in prime 818 are for fuel and power used by storage field compressors. Expense related to storage field compressor fuel and power should be reclassified from prime 818 to prime 819, Compressor Fuel & Power.

Reclass 1a will do two things. First, dollars related to fuel & power will be reclassified from prime 818 to prime 819. Second, a portion of the remaining maintenance expenses will be reclassified from prime 818 to prime 834. The allocation between prime 818 and 819 will be based on historical averages.

Reclass 1b – Storage Gas Conditioning Expense

Storage field gas conditioning expenses are budgeted in budget buckets for each storage field. The budget buckets are in prime 821 - Storage Operations. The actual expenses that these budgets relate to are recorded in primes 821 - Storage Operations, and 836 - Storage Maintenance.

Reclass 1b will reclass the maintenance portion of the expense budget from prime 821 to prime 836. The allocation between prime 821 and 836 will be based on historical averages.

Reclass 2 – Segregate Measurement Administrative Budget

Budget bucket 92071 contains the budget for both operation administrative expense and maintenance administrative expense for the Measurement department. This budget bucket is recorded in prime 932. Actual measurement operation administrative expense is recorded in prime 875, while actual measurement maintenance administrative expense is recorded in prime 893.

Reclass 2 will segregate the measurement administrative expense budget into operation and maintenance expense, based on historical averages. These amounts will then be reclassified from prime 932 to primes 875 and 893.

Reclass 3 – Segregate Underground Storage Tank Budget

Budget bucket 29412 is used to budget for three types of expenses, Distribution Underground Storage Tanks, Transmission Underground Storage Tanks, and Storage Underground Storage Tanks. This budget bucket is recorded in prime 885. Actual expenses related to these areas are recorded in primes 885, 861, and 830, respectively.

Reclass 3 will segregate the total amount budgeted for underground storage tank expense into expense related to the Distribution, Transmission, and Storage areas. The allocated budget

amount related to Transmission and Storage will be reclassified from prime 885 to primes 861 and 830, respectively. The allocation will be based on historical averages.

Reclass 4 – Reclass Company Use Gas Budget

The budget for company use gas is recorded in prime 819. Actual company use gas expense is segregated into various prime accounts. Expense for gas used at storage fields is recorded in prime 819. Expense related to franchise gas free therms is recorded in prime 930.20. Expense related to gas used at other company facilities, storage credits, and taxes is recorded in prime 932.

In addition, expense related to franchise gas free therms must be recorded in prime 927 Franchise Requirements, with an offsetting amount recorded in prime 929 Duplicate Charges-Credit.

Reclass 4 will transfer budget amounts related to franchise gas therms, gas used at company facilities, storage credits, and taxes from prime 819 to the appropriate prime account.

The reclass is based on a budget breakdown prepared by the company use gas analyst.

Reclass 5 – Reclass Gathering Lines Expense

Gathering Lines Expense – Gas:

The budget for total gas gathering lines expense is recorded in prime 833-Maintenance of Lines. This expense should be segregated into operation and maintenance expense. Operation gas gathering line expense should be recorded in prime 817-Lines Expense (operations).

Reclass 5 will segregate the total gathering lines expense budget into operation and maintenance expense based on studies performed by the storage department.

Gathering Lines Expense - Saline:

For most storage fields, the budget for these expenses is accumulated in Prime-833 Maintenance of Lines. For Ancona and Pecatonica, the budget for these expenses is accumulated in Prime 821-Purification Expenses. Expenses are segregated by storage field.

The operation portion of these expenses should be recorded in Prime 821 and the maintenance portion should be recorded in Prime 836.

Reclass 5 will segregate the total gathering lines expense budget into operation and maintenance expense, by storage field. The budget originally recorded in Prime 833 must be reclassified and split between Primes 821 (operation) and 836 (maintenance). For Ancona and Pecatonica, the budget originally recorded in Prime 821 must have a portion reclassified to Prime 836.

Reclass 6 – Reclass Storage Training Costs

The budget for storage and transmission training expenses are accumulated together in Prime 850–Operations Supervision and Engineering of Transmission Facilities. However, storage training costs should be recorded in Prime 814-Supervision and Engineering of Storage Operations.

Reclass 6 will segregate the training budget into storage training and transmission training. The budget for storage training expense will be reclassified from prime 850 to 814.

Reclass 7 – Reclass Prime 92021

The budget for expenses of administrative and general departments is recorded in an allocation prime, 92021. These dollars must be segregated and reclassified to Prime 920-Administrative and General Salaries, Prime 921-Office Supplies and Expenses, Prime 922-Administrative Expenses Transferred – Credit, and Prime 923 – Outside Services Employed.

In addition, the budget related to activity 26001 – Corrosion Admin must be allocated to Prime 830-Storage Maintenance Supervision & Engineering, Prime 861-Transmission Maintenance Supervision & Engineering, and Prime 885-Distribution Maintenance Supervision & Engineering.

The corrosion administrative expense budget will be reclassified to primes 830, 861, and 885 based on a ratio of corrosion storage, transmission, or distribution expense to total corrosion expense.

The remaining budget in the allocation prime 92021 should be reclassified to primes 920, 921, 922, and 923. This is done by reviewing the general ledger account that the budget is applied to.

Budgeted payroll amounts will be reclassified to prime 920, budgeted billed to affiliate credits will be reclassified to prime 922. Budgeted legal or consultant expense will be reclassified to prime 923. All other remaining budget expense will be reclassified to prime 921.

Reclass 8 – Misc Reclasses from Prime 922

A. Reclass Consolidated Pool activity 96526 from Prime 922 to Prime 921-Office

Supplies and Expenses. The Consolidated Pool is not an administrative expense credit, and therefore does not belong in prime 922.

B. Reclass various benefit plans from Prime 922 to Prime 920, where other benefit plans are accumulated.

Allocations:

Some costs relate to more than one prime in a functional classification. (For example, storage administrative and overhead expenses may relate to several different storage prime accounts.) These costs are accumulated in various "allocation primes" and must then be allocated among the respective operation and maintenance prime accounts. In most cases, the allocation is based on payroll for each prime account.

Allocation 1 – Prime Account 814.01 – Storage Overhead, Transportation, and Communication

Prime 814.01 contains Supervision and Fleet expenses for the Storage area, by storage field. These costs must be allocated to all of the Storage Operations and Maintenance prime accounts (Prime accounts 815.00 – 837.00, excluding prime 830.00 – Maintenance Supervision and Engineering.) This allocation will be based on payroll dollars.

Allocation 2 – Prime Account 850.01 – Transmission Overhead, Transportation, and Communications

Prime 850.01 contains the Supervision and Fleet expenses for the Transmission area. These costs must be allocated to the Transmission Operation and Maintenance prime accounts. (Primes 851.00 – 867.00, excluding 861.00 - Maintenance Supervision and Engineering) The allocation will be based on payroll dollars.

3 – Prime 1 – Distribution Overhead, Transportation and

Prime 870.01 contains Supervision, Fleet, Small Tools, and Other expenses of the Distribution area. These expenses must be allocated to the Distribution Operation and Maintenance prime accounts. (Primes 871.00 – 893.00, excluding 885.00 – Maintenance Supervision and Engineering, 878.00 – Meter and House Regulator Expenses, and 879.00 – Customer Installations Expenses) *Primes 878.00 and 879.00 are not included in this allocation because they contain operating expenses related to maintaining and installing meters and regulators, and are mainly expenses of the Operations Departments, not Distribution Departments. The expenses in prime 870.01 relate primarily to the Distribution Departments.* The allocation will be based on payroll dollars.

Allocation 4 – Prime 870.02 – Net Fleet

Prime 870.02 contains Net Fleet expenses. Fleet primarily benefits the Distribution area, as well as Meter Reading (prime 902.00). Therefore, these Fleet expenses will be allocated to the Distribution operation and maintenance prime accounts (primes 871.00 – 893.00, excluding 885.00 – Maintenance Supervision and Engineering, 878.00 – Meter and House Regulator Expenses, and 879.00 – Customer Installations Expenses), and prime 902.00 – Meter Reading Expenses. *Primes 878.00 and 879.00 are not included in this allocation because they contain operating expenses related to maintaining and installing meters and regulators, and are mainly expenses of the Operations Departments, not Distribution Departments. The expenses in prime 870.01 relate primarily to the Distribution Departments.* The allocation will be based on payroll dollars.

Allocation 5 – Prime 870.03 – Stores Handling Expense

Prime 870.03 contains expenses related to inventory stores handling. Stores handling expenses will be allocated to the prime accounts which were charged for stores materials used. The allocation will be based on history.

Allocation 6 – Prime 878.01 – Operations Overhead, Transportation, and Communication

Prime 878.01 contains Operations Communication, Supervision, and General expenses. These expenses must be allocated to prime 878.00-Meter and House Regulators, prime 879.00 – Customer Installations, and prime 903.00-Customer Collections. The allocation will be based on payroll dollars.

Allocation 7 – Prime 878.03 – Operations Materials

Prime 878.03 contains material expenses. These expenses must be allocated to prime 878.00-Meter and House Regulators and prime 879.00-Customer Installations. The allocation will be based on payroll dollars.

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2005 O&M Budget
Reclass 1a - Segregate Storage Budget Buckets - Compressors

- Storage field compressor expenses are budgeted in budget buckets for each storage field. The budget buckets are in prime 818 - Storage Operations.
- The actual activities that these budgets relate to are belong in primes 818 - Storage Operations, and 834 - Storage Maintenance.
- Dollars recorded in prime 818, account 672400 G&A Utilities, should be reclassified to prime 819, Compressor Fuel & Power.
- The reclass will do two things First, dollars related to fuel & power will be reclassified from prime 818 to prime 819. Second a portion of the remaining maintenance expenses will be reclassified from prime 818 to prime 834.

	Expenditure Type Amounts 2005 December YTD Budget	Organization Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December M D Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	
	75050 Budget Stor Comp - Troy Grove	76050 Budget Stor Comp - Ancona	77050 Budget Stor Comp - Pont Mt. S	78050 Budget Stor Comp - Hudson	79050 Budget Stor Comp - Pont Gales	80050 Budget Stor Comp - Lake Bloom	82050 Budget Stor Comp - Lexington	84050 Budget Stor Comp - Pecatonica	Total
Payroll:									
40010 Direct Labor Regular	289,534.00	167,826.47	26,196.90	68,814.70	22,346.89	27,015.21	22,672.01	11,339.00	635,745.18
Other:									
42010 Contractor Work	6,000.00	31,465.00	6,090.00	9,135.00	5,075.00	9,135.00	8,627.50	5,000.00	80,527.50
48010 Direct Material	38,000.00	66,990.00	7,105.00	20,300.00	17,255.00	19,792.50	21,822.50	2,350.00	193,615.00
	44,000.00	98,455.00	13,195.00	29,435.00	22,330.00	28,927.50	30,450.00	7,350.00	274,142.50
Reclass to prime 819:									
67240 G&A Utilities	10,000.00	0	0	17,052.00	14,616.00	76,125.00	71,862.00	0	189,655.00
Category	343,534.00	266,281.47	39,391.90	115,301.70	59,292.89	132,067.71	124,984.01	18,689.00	1,099,542.68
Allocation Percentaaes									
Maintenance - prime 834	37.9%	64.1%	81.3%	76.3%	72.6%	68.1%	77.5%	43.9%	
Operation - prime 818	62.1%	35.9%	18.7%	23.7%	27.4%	31.9%	22.5%	56.1%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Allocated Amounts:									
Payroll:									
Maintenance -prime 834	109,733.39	107,576.77	21,298.08	52,505.62	16,223.84	18,397.36	17,570.81	4,977.82	348,283.68
Operation - prime 818	179,800.61	60,249.70	4,898.82	16,309.08	6,123.05	8,617.85	5,101.20	6,361.18	287,461.50
Total	289,534.00	167,826.47	26,196.90	68,814.70	22,346.89	27,015.21	22,672.01	11,339.00	635,745.18
Other:									
Maintenance - prime 834	16,676.00	63,109.66	10,727.53	22,458.90	16,211.58	19,699.63	23,598.75	3,226.65	175,708.70
Operation - prime 818	27,324.00	35,345.34	2,467.47	6,976.10	6,118.42	9,227.87	6,851.25	4,123.35	98,433.80
Total	44,000.00	98,455.00	13,195.00	29,435.00	22,330.00	28,927.50	30,450.00	7,350.00	274,142.50

2005 O&M Budget
Reclass I b - Segregate Storage Budget Buckets - Gas Conditioning

- Storage field gas conditioning expenses are budgeted in budget buckets for each storage field. The budget buckets are in prime 821 - Storage Operations
- The actual activities that these budgets relate to are in primes 821 - Storage Operations, and 836 - Storage Maintenance
- The reclass will reclass the maintenance portion from prime 821 to prime 836

	Expenditure Type Amounts 2005 December YTD Budget	Organization Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Expenditure Type Amounts 2005 December YTD Budget	Total
	75250 Gas Cond Budget - Troy Grove	76250 Gas Cond Budget - Ancona	77250 Gas Cond Budget - Pont Mt S	78250 Gas Cond Budget - Hudson	79250 Gas Cond Budget - Pont Gales	80250 Gas Cond Budget - Lake Bloom	82250 Gas Cond Budget - Lexington	84250 Gas Cond Budget - Pecatonica	
Pavroll:									
40010 Direct Labor Regular	22,243.00	77,314.50	9,884.25	26,806.50	15,111.00	28,203.75	17,563.00	3,045.00	200,171.00
Other:									
42010 Contractor Work	0	13,246.25	1,015.00	1,015.00	2,537.50	1,218.00	1,370.25	0	20,402.00
48010 Direct Material	0	42,647.50	6,597.50	15,478.75	8,667.00	5,589.75	6,605.00	15.00	85,600.50
		55,893.75	7,612.50	16,493.75	11,204.50	6,807.75	7,975.25	15.00	106,002.50
Category	22,243.00	133,208.25	17,496.75	43,300.25	26,315.50	35,011.50	25,538.25	3,060.00	306,173.50

Allocation Percentages:									
Maintenance - prime 836	100.0%	50.3%	34.6%	35.9%	40.7%	36.3%	40.6%	100.0%	
Operation - prime 821	0.0%	49.7%	65.4%	64.1%	59.3%	63.7%	59.4%	0.0%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Allocated Amounts:									
Pavroll:									
Maintenance - prime 836	22,243.00	38,889.19	3,419.95	9,623.53	6,150.18	10,237.96	7,130.58	3,045.00	100,739.39
Operation - prime 821	-	38,425.31	6,464.30	17,182.97	8,960.82	17,965.79	10,432.42	-	99,431.61
Total	22,243.00	77,314.50	9,884.25	26,806.50	15,111.00	28,203.75	17,563.00	3,045.00	200,171.00

Other:									
Maintenance - prime 836	-	28,114.56	2,633.93	6,921.26	4,560.23	2,471.21	3,237.95	15.00	46,954.13
Operation - prime 821	-	27,779.19	4,978.58	10,572.49	6,644.27	4,338.54	4,737.30	-	59,048.37
Total	-	55,893.75	7,612.50	16,493.75	11,204.50	6,807.75	7,975.25	15.00	106,002.50

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2005 O&M Budget
Reclass 2 - Segregate Measurement Budget Bucket

- Budget bucket 92071 contains the budget for activities 92020 and 92040.
- 92071 is in prime 932, while 92020 is in prime 875 and 92040 is in prime 893
- In order to record the budget in the appropriate prime account, the budget bucket will be allocated to primes 875 and 893 based on history.

		Budget	December YTD	Amounts	2005	Expenditur Organization
40010 Direct Labor Regular	92071 Measurement Adrnin Budget OE	34,500.00				
50010 G&A Mgrnt Regular	92071 Measurement Admin Budget OE	5,381.00				
			39,881.00	Payroll		
42010 Contractor Work	92071 Measurement Admin Budget OE	14,900.00				
48010 Direct Material	92071 Measurement Admin Budget OE	22,100.00				
64130 G&A Seminars/Meeting Expenses	92071 Measurement Admin Budget OE	3,000.00				
64150 G&A Training	92071 Measurement Admin Budget OE	7,800.00				
64190 Other G&A	92071 Measurement Admin Budget OE	3,450.00				
			51,250.00	Other		
Category	92071 Measurement Admin Budget OE	91,131.00				
			91,131.00	Total		

Allocation Percentages:	
Operation - 92020 - prime 875	62.59%
Maintenance - 92040 - prime 893	37.41%
	100.00%

Allocation of Budget	Payroll	Other	Total	
Operation - 92020 - prime 875	24,961.52	32,077.37	57,038.89	Reclass to prime 875
Maintenance - 92040 - prime 893	14,919.48	19,172.63	34,092.11	Reclass to prime 893
	39,881.00	51,250.00	91,131.00	Reclass from prime 932

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MEASUREMENT

Percentage - Maintenance
Percentage - Operations

Activity:

92071 Measurement Admin Budget OE
92020 Measurement Training
92040 Shop Tools and Equip - Maint

December YTD			December YTD			Average		
2003			2002			2002 - 2003		
Actuals	Budget	%	Actuals	Budget	%	Actuals	Budget	%
-	130,675.00		-	538,173.00		-	334,424.00	
88,556.78	-	64.91%	94,401.72	-	60.55%	91,479.25	-	62.59%
47,877.35	-	35.09%	61,492.50	-	39.45%	54,684.93	-	37.41%
136,434.13			155,894.22			146,164.18		

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2005 O&M Budget
Reclass 3 - Senregate Underground Storage Tanks Budget Bucket

- Budget bucket 29412 is used to budget for three activities. 29412 Distribution Underground Storage Tanks, 29512 Transmission Underground Storage Tanks, and 29612 Storage Underground Storage Tanks.
- These three activities are in primes 885, 861, and 830, respectively.
- In order to segregate the amount budgeted for these three activities, the budget bucket will be split based on history.
- ACPPrime cube

		Organization Expenditure Type Amounts December YTD 2002 Actuals		Organization Expenditure Type Amounts December YTD 2003 Actuals		Average	Organization Expenditure Type Amounts December YTD 2005 Budget	
42010 Contractor Work Category	29412 Distr Undgrnd Storage Tanks	22,531.86		9,275.16		48.88%	49,202.00	
	29412 Distr Undgrnd Storage Tanks	22,531.86	74.82%	9,275.16	22.94%		49,202.00	
42010 Contractor Work Category	29512 Trans Underground Stor Tanks	2,860.50		1,608.24		6.74%	0	
	29512 Trans Underground Stor Tanks	2,860.50	9.50%	1,608.24	3.98%		0	
42010 Contractor Work 64080 G&A Office Supplies Category	29612 Stor Undgnd Storage Tanks	4,500.62		29,546.59		44.38%	0	
	29612 Stor Undgnd Storage Tanks	222.07		0			0	
	29612 Stor Undgnd Storage Tanks	4,722.69	15.68%	29,546.59	73.08%		0	
	29612 Stor Undgnd Storage Tanks							
Total		30,115.05	100.00%	40,429.99	100.00%	100.00%		

	Allocation %	Allocation Amount	
29412 Distr Undgrnd Storage Tanks - prime 885.00	48.88%	24,049.94	No adjustment needed
29512 Trans Underground Stor Tanks - prime 861.00	6.74%	3,316.21	} Amount to reclass from prime 885
29612 Stor Undgnd Storage Tanks - prime 830.00	44.38%	21,835.85	
	100.00%	49,202.00	

Note: All expenses are non-payroll

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2005 O&M Budget

Reclass 4: Reclass Company Use Gas

- The budget for company use gas is recorded in prime 819.
- Actual company use gas expense is segregated into various prime accounts:
 - Prime 819 - Gas used at storage fields
 - Prime 930.20 - Franchise gas therms
 - Prime 932 - Gas used at other company facilities, storage credits, taxes
- In addition, expense related to franchise gas therms must be recorded in prime 927, Franchise Requirements, with an offsetting credit recorded in prime 929, Duplicate Charges Credit
- The reclass will transfer dollars related to franchise gas therms, gas used at company facilities, storage credits, and taxes from prime 819 to the appropriate prime account.
- See Schedule A for breakdown.

		Budget	December	Amounts	2005	prime81900	Organization
60261 Company Use & Franchise Gas Category	11997 Frachsize Gas - Budget	13,740,936.00					
	11997 Frachsize Gas - Budget	13,740,936.00					